

**CONTRACT CONCEPTS  
FISCAL YEAR 1997-98**

**WASTE REDUCTION AWARDS PROGRAM (WRAP)**

**Concept Number:**

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**Requesting Party:** Waste Prevention & Market Development Division

**Amount:** \$50,000

**Fund:** IWMA

**Primary Staff Contact:** Jeff Hunts 255-2492

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**Description:** WASTE REDUCTION AWARDS PROGRAM (WRAP)

The Waste Reduction Awards Program (WRAP) is an annual program that recognizes California businesses that have made outstanding efforts to reduce nonhazardous waste and send less garbage to landfills. Practices evaluated include waste prevention, materials reuse, recycling, recycled product procurement, composting, and employee education. Successful applicants receive an award from the State along with the rights to use the WRAP logo on products, advertising and promotional materials.

While WRAP serves as a learning tool for businesses as they evaluate their waste management programs, the program quite possibly benefits the Board more than it does the individual award recipients. The information garnered from applicants about business waste reduction strategies and cost savings is invaluable information, used to produce case studies to sway the practices of other businesses. WRAP applicants/winners are actually doing the Board a service by providing this kind of information, which can be and is, in turn, distributed to businesses, waste haulers and local governments to encourage many more businesses to implement similar waste reduction and cost saving programs.

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**Supports Board Mandate:**

This proposal supports Board mandates contained in PRC 42600 and 42602, which include encouraging industry to participate in all phases of integrated waste management and the marketing of this message. Specifically, PRC 42600 mandates that the Board "...shall promote waste handling practices which reduce waste generation by business and industry."

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**History:**

FY 1997-98 will be the sixth year of the annual WRAP program, a program which in four years has distributed over 1,000 award certificates to California businesses that have implemented successful waste reduction programs. These businesses have diverted thousands of tons of material from landfills through waste reduction, improved their bottom line through avoided procurement and trash disposal costs, as well as earned revenue earned from the sale of recyclable materials, and contributed to recycled product market development through procurement practices. 18

#### WRAP's Fiscal History:

1992/93 - \$64,150 contracted; 1993/94 - WRAP was a \$70,000 sub-component of a larger DDB Needham contract; 1994/95 - \$39,612 contracted (out of \$50,000 budgeted); 1995/96 - \$49,799 contracted (out of \$50,000 budgeted), which included a \$4,600 augmentation for the new "WRAP of the Year" and "Internet Availability" initiatives; 1996/97 - \$55,000 budgeted (not yet awarded).

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#### Benefit to the Board:

**Pros:** With California businesses and institutions generating approximately 60% of the total waste stream, continuing education and encouragement through WRAP will be an effective incentive to reduce waste. This contract will also provide Board staff with valuable information for use in case studies. The information may reveal areas where Board staff should focus future business education efforts.

**Con:** Discontinuation of WRAP would delete a highly visible business education program that showcases Board outreach, as well as remove an important incentive for businesses to reduce waste and assist cities to meet AB 939's 50% diversion goals.

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#### Budget Process:

The contract amount requested was determined by adjusting past year actual costs for similar services, including continuation of the WRAP of the Year and Internet activities, as well as assigning printing responsibilities to the contractor.

The total amount allocated for WRAP 1996 (the most recent year of actual costs) from FY 95/96 funds was \$50,000. The approximate amount spent is estimated as follows:

#### Bid

Personnel (includes benefits and overhead)	\$27,355.44
Operating Expenses (includes some printing, mailing, travel, and supplies)	\$10,054.30
Subcontractor (includes promotional and media work)	<u>\$ 7,709.90</u>

Subtotal	\$45,119.64
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#### Augmentation

WRAP of the Year initiative	\$ 2,000.00
Electronic enhancements	<u>\$ 2,600.00</u>

Subtotal	\$ 4,600.00
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Division Liaison

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Date

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Branch Manager

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Date

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19 Deputy Director

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Date

**CONTRACT CONCEPT SUPPLEMENTAL INFORMATION**  
**FISCAL YEAR 1997-98**

**WASTE REDUCTION AWARDS PROGRAM**

**Concept Number: 3-WPM-IWM**

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**Requesting Party:** Waste Prevention & Market Development Division

**Amount:** \$50,000

**Fund:** IWMA

**Primary Staff Contact:** Jeff Hunts 255-2492

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**Question:** What were the principle elements of the WRAP contract in 94/95, 95/96, and 96/97 and the budget breakdown?

**Answer:** The Waste Reduction Awards Program (WRAP) has contracted for program support services in each year since its inception in 1993. The principle elements of the five contracts have remained fairly constant, varying in emphasis depending on available internal resources, such as printing funds, to maximize the utility of contract dollars.

**Contract and Budget Details:**

**FY 1994/95 -- \$39,612 contracted**

The budget provided by the contractor for WRAP 1995 was broken down by task. The contractor was not responsible for printing the promotional flyers or applications. **The Board was responsible for the printing of the promotional flyers and applications at a cost not included below.**

Administration and Application Development (Included assistance in developing application, scoring methodology, and reporting, but NOT printing)	\$2,570
Program Promotion (Included distribution of promotional flyers and media packets, creating tracking database, and overall program promotion)	\$14,063
Processing of Applications (Included distribution of applications, processing of returned applications, determining winners, and preparing reports on winners)	\$10,217
Awards (Included developing and distributing award certificates, and conducting media promotion of winners)	\$9,706
Follow-Up (Included developing a final report on the program and thanking program promoters/sponsors)	\$3,055

**FY 1995/96 -- \$49,799 contracted**

Similar to the previous year, the proposed budget for WRAP 1996 was broken down by task. Additionally, the contract was eventually augmented to pursue Internet and the new "WRAP of the Year" initiatives. The contractor was responsible for printing the application, but not the promotional flyers. Coupled with the "WRAP of the Year" award plaques, contract printing accounted for nearly \$4,500 of the budget presented below. **The Board spent an additional \$5,700 (not included below) on the printing of promotional flyers and WRAP letterhead.**

Original proposed budget:

Administration (Meetings, reports, database development)	\$4,851
Application Development (Assistance in developing application, scoring methodology, and printing of application)	\$5,607
Program Promotion (Included distribution of promotional flyers and media packets, creating tracking database, and overall program promotion)	\$9,576
Processing of Applications (Included distribution of applications, processing of returned applications, determining winners, and preparing reports on winners)	\$11,980
Awards (Included developing and distributing award certificates, and conducting media promotion of winners)	\$9,881
Follow-Up (Included developing a final report on the program and thanking program promoters/sponsors)	\$3,221

To illustrate where dollars are spent in "Task Budgets", below is the above proposed budget by expense category:

Personnel (includes benefits and overhead)	\$27,355.44
Operating Expenses (includes some printing, mailing, travel, and supplies)	\$10,054.30
Subcontractor (includes promotional and media work)	<u>\$ 7,709.90</u>
Subtotal	\$45,119.64

Augmentation funds:

WRAP of the Year initiative	\$ 2,000.00
Electronic enhancements	<u>\$ 2,600.00</u>
21 Subtotal	\$ 4,600.00

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**FY 1996/97 - \$52,884 contracted**

Once again, the contract budget for WRAP 1997 was provided by task. In this cycle, however, the contractor will be responsible for all printing (application, promotional flyers, awards, etc.).

Administration (Includes meetings, reports, database development)	\$4,368
Application Development (Includes assistance in developing application, scoring methodology, and printing of application)	\$6,822
Program Promotion (Includes development, printing and distribution of promotional flyers and media packets, creating tracking database, and overall program promotion)	\$17,445
Processing of Applications (Includes distribution of applications, processing of returned applications, determining winners, and preparing reports on winners)	\$8,950
Regular and Five Year Awards (Includes developing and distributing award certificates, and conducting media promotion of winners)	\$8,444
WRAP of the Year Awards (Includes assistance in selecting winners, developing and producing award plaques, and conducting promotion)	\$4,191
Follow-Up (Included developing a final report on the program and thanking program promoters/sponsors)	\$2,660

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